



(Company Registration No. 191200018G)
(Incorporated in Singapore)

UNITED ENGINEERS LIMITED IN NEGOTIATIONS WITH OVERSEA-CHINESE BANKING CORPORATION LIMITED ON REDEVELOPMENT AND MANAGEMENT OF THE FORMER SPECIALISTS' CENTRE AND HOTEL PHOENIX SITE

The Board of Directors of United Engineers Limited (the "**Company**") wishes to announce that the Company is in negotiations with Oversea-Chinese Banking Corporation Limited ("**OCBC Bank**") with regard to arrangements under which a special purpose wholly-owned subsidiary of the Company will be formed to undertake the re-development and construction of a hotel cum retail mall at the former Specialists' Centre and Hotel Phoenix site. This site is a long term investment holding of OCBC Bank, and the proposed arrangements will enable OCBC Bank to rely on the Company's financial resources and expertise to complete the proposed re-development and construction project.

The terms of the arrangements are currently being discussed and negotiated. An announcement will be made in the event that a definitive agreement is entered into between the Company and OCBC Bank.

BY ORDER OF THE BOARD

Heng Fook Pyng, Jeslyn
Company Secretary

8 March 2010